

City of Cincinnati



#18

Laketa Cole

Chris Bortz

Members of Cincinnati City Council

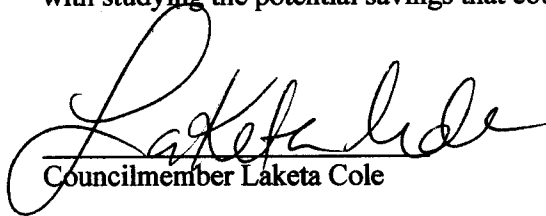
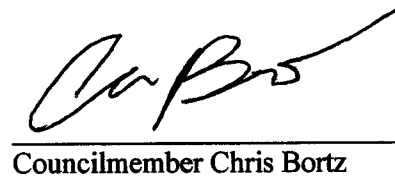
May 1, 2006

MOTION

WE MOVE that any new municipal buildings in Cincinnati be constructed to LEED certification.

WE FURTHER MOVE that any municipal buildings renovated by the City should incorporate "green" building elements in their construction, using LEED as a benchmark when feasible.

WE FURTHER MOVE that the administration assess the feasibility of paying for any increased costs from constructing or renovating municipal buildings to LEED standards through funding that is freed up through the savings in building operational costs, starting with studying the potential savings that could be generated by retrofitting City Hall.


Councilmember Laketa Cole
Councilmember Chris Bortz

STATEMENT

"Green" buildings use resources like energy, water, materials, and land much more efficiently than buildings that are simply built to code. They also create healthier work environments, with more natural light and cleaner air, and contribute to improved employee health, comfort, and productivity. Sustainable buildings are cost-effective, saving taxpayer dollars by reducing operations and maintenance costs, as well as by lowering utility bills. The City of Cincinnati can be a leader to encourage energy efficiency and clean energy as part of this growing architectural and construction business. Green buildings make sense for economic growth, as well as improving our environment.

Encouraging the construction of municipal buildings to LEED standards has been a successful technique used by many cities to encourage environmentally friendly design and lower municipal energy bills and operational costs. Although there is an upfront increase in the cost of construction, evidence shows that this pays for itself over time. For example the City of Seattle recently built a Justice Center to LEED standards. The upfront cost increase of LEED certification was roughly \$1.7 million. However, over a

25-year life cycle, that \$1.7 million investment will generate a cost savings of between \$2.5 and \$3.7 million, adjusted for present value.¹

A potential funding source to cover the increased construction costs of a LEED certified municipal building would "Operational Cost Savings Financing." This works by borrowing against the money saved by the reduction in operational expenses that comes with a LEED building. For example, a LEED certified building could save 30% in energy costs. If a current building has an energy bill of \$1000/month, a new LEED building would have an energy bill of \$700/month. The LEED building has generated a \$300 savings on that monthly energy bill. That \$300 could then be used to supplement the revenue stream that the city is using to pay off their construction debt on the new building, helping cover the increased costs from LEED construction.

We believe that this motion will enable Cincinnati to make a positive statement about our commitment to the environment.

¹ Achieving Silver LEED: Preliminary Benefit-Cost Analysis for Two City of Seattle Facilities, Seattle Office of Sustainability and Environment, April 2003.